

**SECRET**

Approved For Release 2002/05/08 : CIA-RDP57-00384R000700070010-9

*Office Memorandum* • UNITED STATES GOVERNMENT

25X1A

TO : General Counsel

DATE: 21 January 1953

ATTN : 

FROM : Acting Chief, Purchase Division OGC HAS REVIEWED.

SUBJECT: 

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1. In submitting the subject contract for review, your attention is directed to Article 24, entitled "Examination of Records" which provides that the Comptroller General of the United States or any of his duly authorized representatives shall have the right to examine the Contractor's records at any time prior to the expiration of three years after final payment under the contract.

2. Notwithstanding the fact that this is a mandatory clause, it has been the practice of this office to omit it from classified or sterile type contracts not subject to review by the General Accounting Office, for security reasons. This practice was adopted as a result of discussions with

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At that time it was a consensus of opinion that the legislative authorities of the Agency were such that it could omit the clause at its discretion. However, since the practice is based solely on an oral understanding, the matter is being referred to your office for review and an opinion as to whether or not the clause may properly be omitted from contracts not otherwise reviewable by the General Accounting Office.



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PSO/AWE:jds (21 Jan 53)

## Distribution:

- 1 - Proposed contract jacket
- 1 - Chrono
- 1 - Follow-up

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SECURITY INFORMATION